

May 6 / Administration of Ronald Reagan, 1982

Declaration of National Emergency With Respect to Iran

*Message to the Congress Reporting on
Recent Developments. May 6, 1982*

To the Congress of the United States:

Pursuant to Section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. Section 1703(c), I hereby report to the Congress with respect to developments since my report of September 22, 1981, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979.

1. The Iran-United States Claims Tribunal provided for in the Claims Settlement Agreement of January 19, 1981 has been established at The Hague in the Netherlands. Some 5,000 claims were filed with the Tribunal by the January 19, 1982, deadline. These included 2,795 "small" claims (less than \$250,000 each) of U.S. nationals and 18 "official" claims of the U.S. against Iran. Although the Tribunal has not yet completed its initial processing of all the claims, it now appears that there are, in addition, some 630 "large" claims, in the amount of \$250,000 or more each, of U.S. nationals against Iran and as many as 1500 claims by Iran against the U.S. and its nationals. The Department of State, with the assistance of the Departments of the Treasury and Justice and other concerned government agencies, is coordinating the United States response to the Iranian claims and is preparing to assist U.S. nationals with claims against Iran.

2. Four important issues, concerning the \$1 billion Security Account established in the Netherlands Settlement Bank to pay Tribunal awards, which were not resolved in negotiations with Iran were referred to the Claims Tribunal. Written submissions have been made and oral arguments have been heard. The Tribunal may decide these issues within the next few weeks. These issues concern (1) the disposition of the interest accruing on the funds in the Security Account; (2) indemnification of the Settlement Bank of the Netherlands and its parent, the Netherlands Central Bank, as manager of the funds deposited with the

Settlement Bank, against any claims relating to the Security Account; (3) payment of the administrative fees of the Settlement Bank; and (4) payment of settlements with U.S. claimants worked out directly between the U.S. claimants and Iran.

3. Since my report submitted to Congress last fall, there have been no major regulatory amendments or transfers of assets by or through the U.S. government under the January 19, 1981 agreements with Iran. However, I attach herewith three excerpts from the *Federal Register* that deal with the Iranian Assets Control Regulations. The first is a notice reminding U.S. account parties, on whose behalf standby letters of credit were issued by U.S. banks in favor of Iran or Iranian entities, of the January 19, 1982 deadline for filing claims with the Claims Tribunal. The second is an amendment to the Iranian Assets Control Regulations which amends the licensing procedure for account party establishment on company books of substitute blocked accounts in favor of Iran, in lieu of payments by banks to Iran under standby letters of credit in favor of Iran. The amendment provides extra time for obtaining a license or for establishment of such substitute blocked accounts by account parties in cases involving court orders barring payments to Iran under standby letters of credit.

Also attached is the amendment to the Iranian Assets Control Regulations that appeared in the *Federal Register* on December 7, 1981. It required U.S. banking institutions to register with the Office of Foreign Assets, Department of the Treasury, if they intended to assert claims against the escrow account at the Bank of England that was established with the deposit of \$1.4 billion in January 1981. That account was established pursuant to Paragraph 2(B) of the January 19, 1981 Undertakings of the Governments of Iran and the United States, primarily for the purpose of paying non-syndicated debt claims of U.S. banks against Iran. The list of banks that registered was provided to Iran to facilitate the settlement of those bank claims against Iran.

4. Over the last six months, there have been several technical discussions with officials of Iran in The Hague concerning various aspects of the implementation of the

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agreements of January 19, 1981. These meetings have contributed to a better understanding of the differences between our two governments and the ways in which they might be resolved. We are continuing to explore ways in which the Tribunal's arbitral process can be made more efficient.

5. Several financial and diplomatic aspects of the crisis with Iran have not yet been resolved and continue to present an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to deal appropriately with these problems and will continue to report periodically to Congress on significant developments.

Ronald Reagan

The White House,
May 6, 1982.

Note: The attachments transmitted with the report are printed in the following issues of the Federal Register : Monday, Dec. 7, 1981 (vol. 46, no. 234, p. 59939), Tuesday, Jan. 5, 1982 (vol. 47, no. 2, p. 366), and Tuesday, March 23, 1982 (vol. 47, no. 56, p. 12339).

United States Postal Service

Nomination of Peter E. Voss To Be a Governor. May 7, 1982

The President today announced his intention to nominate Peter E. Voss to be a Governor of the United States Postal Service for a term expiring December 8, 1990. He would succeed Hung Wai Ching.

Mr. Voss is currently chief executive officer and president at Northeastern, Inc., in Canton, Ohio. He founded the company in 1954. He was Executive Director and Chairman of the National Finance Committee for the 1970 White House Conference on Children and Youth. He is a member of the Chief Executives Forum, an international group of senior executives; a member of the World Business Council; and past director, chapter chairman, education chairman and leadership activities chairman of the Young Presidents' Organization.

He attended Kenyon College and is a graduate of Harvard Business School's industrial management course. He is married, has three children, and resides in Canton, Ohio. He was born September 13, 1930.

President's Committee on the National Medal of Science

Appointment of Three Members and Designation of Chairman. May 7, 1982

The President today announced his intention to appoint the following individuals to be members of the President's Committee on the National Medal of Science for terms expiring December 31, 1984. The President also announced his intention to designate William L. Mills to be Chairman.

William L. Mills is currently associate professor of environmental engineering at Vanderbilt University. He was associate professor of environmental health sciences and engineering at North Carolina Central University in 1973-1977. He graduated from Alcorn State University (B.S., 1967), Tuskegee Institute (M.S., 1969), and the University of Kansas (Ph. D., 1973). He is married, has two children, and resides in Nashville, Tenn. He was born November 20, 1944. He would succeed Mary L. Good.

Perry Adkisson is serving as deputy chancellor for agriculture and distinguished professor of entomology, department of entomology, at Texas A&M University. He has been with Texas A&M University since 1958, serving as vice president for agriculture and renewable resources in 1978-1980. He was head, department of entomology, in 1967-1978 and professor, department of entomology, in 1963-1967. He graduated from the University of Arkansas (B.S., 1950; M.S., 1954) and Kansas State University (Ph. D., 1956). He is married, has one child, and resides in Bryan, Tex. He was born March 11, 1929. He would succeed Calvin C. Moore.

Naomi J. McAfee is manager, design assurance and operations, Defense and Electronics Systems Center, at Westinghouse Electric Corp. She has been with Westinghouse Electric Corp. since 1955 and was executive assistant to the general manager of the systems and technology divisions in 1977-1979. She was director of corporate strategic resources in 1976-1977 and was engineering manager, quality and reliabil-